

## Calhoun - Disquisition on Gov.

- I Man necessarily always exists in a social state.
- II Man's individual feelings are stronger than his social feelings.
- III Therefore government is necessary to regulate conflict.
- IV Government must be administered by individuals, in whom individual feelings are stronger than social feelings. They will thus tend to oppress the rest of the community.

The Constitution of a government is, by definition, that which prevents those who are invested with the powers of government from using them to aggrandize themselves, instead of protecting society.

A: any highest body, formed to regulate lower bodies, will be subject to the same tendency.

B: if government has enough power to pursue its ends, it will have enough to be abused by those who wield it. Gov must be strong enough to resist external attack.

Power can only be resisted by power. There must be means for the ruled to systematically and peaceably resist abuse of power by the rulers.

A: There must be responsibility of the rulers to the ruled, through the right of suffrage. But this only makes those elected responsible to that part of the people which elected them. This merely transfers the seat of authority to the mass of the people.

If the people all had identical interests, this would be sufficient. But the very existence of government creates a conflict of interest. The country is divided into those who pay more in taxes than they receive in disbursements and those who pay less. It is the interest of ~~xxxxx~~ the first to reduce taxes and of the second to increase them. Rule by the majority can be as despotic and irresponsible as any other.

B: The only way to prevent any one interest or combination of interests from oppressing the others is to give ~~xxxx~~ ~~interests~~ the representatives of each interest a concurrent voice in making laws, or a veto on their execution. Since each interest is homogeneous, representatives may be chosen by a majority vote.

Government by the numerical majority regards the people as of one interest, and thus identifies the will of the dominant interest or group of interests with the will of the people.

Government by concurrent majority regards the will of the people as the total of all the separate interests.

The first misconception leads people to regard restrictions on the will of the numerical majority as restrictions on the will of the people.

A written constitution is insufficient;

A: The majority has no need of its protection, and feels the restrictions as cumbersome; it will elude them, by loose construction.

B: The minority would favor a strict construction, but could not effectively enforce it.

Also, the mere separation of the governments would be ineffective, if each department was under the control of the numerical majority.

The essence of the constitutional government is that each interest has a veto on the others. Without this, there is absolute government.

A: The conservative principle of the absolute government is force. Since force is the only means of resistance to the government, the government must use force to maintain itself.



B: The conservative principle of the constitutional government is the threat of anarchy, the suspension of government--since a conflict of interests must suspend action. This will force compromise on the conflicting parties.

This promotes unity, since it is in the interest of each group to conciliate the others; elevates morals, since each group must win universal respect.

Government by numerical majority leads to disunity, since each group must fight to gain majority, merely to protect itself. In the struggle, party control must become more and more centralised; eventually, country is ruled by the majority of the majority party; an absolute minority.

Liberty results in inequality of condition, which impells progress. Constitutional gov secures greatest liberty, by limiting the intervention of government. It thus results in progress, which gives power to the government to defend itself, as well as strengthening moral condition of nation.

A free press does not counteract oppression by the majority, since it merely expresses the interests of factions.

Since constitutional popular government is the most complex, it is usually only constructed only in times of crisis or favorable circumstances.

#### Defects in theory:

A: It is not adequately demonstrated that rule by the numerical majority must necessarily be maintained by force.

B: Fatal weakness is confidence in the tendency of interests to compromise for the good of the community. Can you always teach a man to hop by tying his legs?

C: Actually, the alternative to compromise is not anarchy but simply inaction. This is not such a compelling threat as to ensure compromise. The actual result, therefore, would be that government would be deprived of adequate power to regulate conflicting interests for the good of the community.

The resulting freedom would give a country the material resources to oppose outside aggression, but it would deny government the legislative power to prevent dominant domestic economic interests from oppressing the rest of the country.



Calhoun: defects: difficulty of defining economic interests.  
2) state subject to same defects, and unsatisfactory to labor  
3) requirement of unanimity makes gov impotent  
4) insufficient incentive to compromise  
5) doesn't prove that gov by numerical majority must use force.  
(6) complexity, and difficulty of establishing it.

good points:

- (1) defects of "absolute" rule by numerical majority.
- 2) shows how party system allows control by dominant inter sts
- 3) centralisation of party leads to party control by minority.
- 4) formation of parties inevitable under numerical majority
- 5) Parties subverted original intention of throwing presidential selection into House.
- 6) Weaknesses of a written constitution, and free press.
- 7) Popular suffrage alone inadequate.

Jacksonian Democracy:

- 1) Southern planters--Calhoun--who opposed business interests, tariff, taxes, although they disliked wildcat banking.
- 2) Farmers-debtors, opposed business, wanted lots of credit inflation, opposed Bank as deflationary. Western farmers and Eastern bankers
- 3) Workers, opposed business, wanted labor reforms of ten-hour day and union recognition, wanted hard money, opposed Bank as inflationary, opposed to all banking.
- 4) Used Jeffersonian doctrines of weak state and states' rights, but actually increased federal authority and executive power.

Jackson's program: (a) Supremacy of federal union.  
(b) gov limited to explicit powers; strict construction; low taxes, no protective tariff, no internal improvements.  
(c) Specie currency, no national bank.  
(d) federal laws nullified only by Supreme Court; but state is supreme in internal affairs.

Although Jackson, Benton, Blair, Kendall were hard money, they were supported by soft money Westerners and bankers. In bank veto, Jackson avoided offending this group by making it an issue of privilege against the common man.

Jackson talked states' rights, but by suppressing Carolina nullification he upheld the union.

American conservative thought:

Federalists were frankly anti-democratic, proceeding logically from stake-in-society theory, class conscious. Webster: gov exists to protect property; property pays taxes, protects life and liberty, supports education; conservative influence.

Growth of democratic influence made this unpopular; Feds had to gain popular support, abandon class thinking, stop defending property. Had to espouse Jeff doctrines, so that their actions were illogical. Chose popular heroes like Crockett, Harrison, Scott, Taylor; abandoned platform. Major Jack Downing.



Same influences that changed Jeff into Jack changed Fed to Whigs.

Growth of industrialism: Feds favored business-gov alliance; National Bank, bounties, subsidies, internal improvements, tariff, mixed economies, conception of corporation.

As businessmen grew more independent they needed less gov capital, guidance, control. Growth of corporations weakened link with gov--limited liability. Dartmouth College Case. Sharpless Case, 1853. opposed to taxation engendered by internal improvements.

Differences between Jack and Jeff:

Difference in meeting challenge of the business community. Jeff wanted to retreat into agrarian community, where diffusion of property would make gov intervention unnecessary. Property was sufficiently diffused so that main split was between agrarian interests and commercial interests. Jeff distrusted political ability of propertyless, rabble. Distrusted gov, because it usually interfered on the side of artificial property. Distrusted workingmen in general. Believed in aristocracy of ~~xxxxxx~~ talent, intellect, and virtue, rising from common man.

Jackson had to accept industrialism, instead tried to control it. Therefore he had to assume larger powers for government. Growth of propertyless changed basic split to propertyless vs. propertied. It was necessary to win labor support, who were adapted to machine politics; therefore Jack favored hard money, 10 hour day, recognition of unions (Commonwealth v. Hunt, 1840; closed shop defended by Rantoul).

Jack didn't regard propertyless as mob, but as potentially organized group; more confidence in their ability to govern themselves. Appealed to common man as a whole; political, not intellectual, appeal. Championed human rights instead of property rights. Jack kept Jeff doctrines, because this kept farmer-debtor support.

Since society had become more complex, private morality was no longer adequate social restraint; "That gov is best that gov's least" was obsolete; gov had to take responsibility for regulation.



8. Literature (No required reading)

George Bancroft, HISTORY OF THE UNITED STATES  
 James Fenimore Cooper, HOMEWARD BOUND, HOME AS FOUND, etc.  
 Nathaniel Hawthorne, THE BLITHEDALE ROMANCE, etc.  
 Herman Melville, MOBY DICK, PIERRE, etc.  
 Walt Whitman, LEAVES OF GRASS  
 Van Wyck Brooks, FLOWERING OF NEW ENGLAND  
 F. O. Matthiessen, AMERICAN RENAISSANCE

9. Coming of the Civil War

\*Edwin C. Rozwenc, SLAVERY AS A CAUSE OF CIVIL WAR  
 \*Arthur Schlesinger, jr., "The Causes of the Civil War,"  
 PARTISAN REVIEW, October 1949  
 Avery Craven, THE REPRESSIBLE CONFLICT, 1830-61; THE COMING OF  
 THE CIVIL WAR.  
 U. B. Phillips, LIFE AND LABOR IN THE OLD SOUTH

\*\*\*\*\*

## Reading Period

Readings in one of the following books.

Henry S. Commager, THEODORE PARKER, 40-309.

Joseph W. Krutch, THOREAU, 39-287.

Russell B. Nye, GEORGE BANCROFT, 3-201, 303-323.

Arthur M. Schlesinger, jr., ORESTES A. BROWNSON, 29-297.

Carl B. Swisher, ROGER B. TANEY, 347-538.



Social Thought in America  
Morton G. White

The anti-formalists were familiar with their social and economic setting. In 1913, Beard's Contemporary American History; related growth of political institutions to economic institutions, with reference to current problems. Traced social transformation after defeat of agrarianism by capitalism, effect of industrial revolution on classes and interests. The philosophy of the new politicians: the widest possible extension of the principle of private property, restriction of state to police functions. They controlled courts, and wrote laissez faire into the Constitution; Court could review all state economic legislation. Economic approach to war. Agitation over money concealed fact that vertical split had become horizontal split. Rise of radicalism.

The American Counter-Reformation, of which all the anti-formalists were part. They criticized the worst evils of capitalism, but their politics was never revolutionary, at a time when political radicalism was gaining ground. Instead, war on poverty, some acceptance of socialistic measures.

Positive ideas: the "New" psychology, economics, history, philosophy jurisprudence.

The New History (The Development of Modern Europe--Robinson and Beard, 1907): 1. Historical explanation, based on assumption of historic law, which historian must find and express. 2. Explanation of present events. 3. Concern with institutions, which have more historical continuity. History must take account of laws of all social disciplines.

The New Ethics (Ethics--Dewey and Tufts, 1908). History of morality is useful: 1. Pedagogically, since earlier systems are simpler. 2. to explain survivals; explain present conflicts in judgments by showing their origins. Relation to anthropology and history. 3. Study is broadening. Need for application of ethics to practical social problems.

All four were noncommittal about the future; they were all satisfied with presenting problems to college students. But they were optimistic about the growth of knowledge. as Dewey said: "The need of the hour seems...to be the application of methods of more deliberate analysis and experiment. ....They hope for a larger application of the scientific method to the problems of human welfare and progress."

The Path of the Law--Holmes, 1897. "The prophecies of what the courts will do in fact, and nothing more pretentious, are what I mean by the law". Thus lawyer's profession becomes an empirical science. History helps reconsider present rules, get rid of survivals. Insists on distinction between law and morals. But in The Common Law, he said the legislative role of the courts was desirable and should be recognized: all important principles were determined, consciously or unconsciously, by views of public policy. History had only a negative use. Real science of law was in measuring the relative worth of social ends.

All members of the Counter-Reformation were interested in economics. Veblen applied evolutionary method to study of economic institutions, mainly industry and business enterprise. Explicitly disavowed moral judgments, but phrased his conclusions so as to make judgment inescapable. Leisure class likes what it does, but serves no social purpose. Sheltered from environment, it is conservative evolutionary force, retarding adaptation to new circumstances.



The School and Society--Dewey, 1899. Progressive education. Contact with materials and personal responsibility, learn by doing, manual training and household arts, emulation serving social aims. Encourage creative impulses. Like Veblen, attack on (human) waste. Education was necessary to real (v. formal) freedom.

Holmes' dissent in the Lochner case, 1905, on hours in New York bakeries. Complete liberty of individual to contract is based on an economic theory that most of the country doesn't hold; "The Fourteenth Amendment does not enact Mr. Herbert Spencer's Social Statics."

Did this mean judges should keep finger on public (rather than personal) interest? Did he believe that decisions on constitutionality could be separated from economic theories.

Veblen linked to Dewey, on waste, and Dewey linked to Holmes, on freedom.

The liberal ideology: anti-formalist, evolutionary, historically oriented; deeply concerned with the economic aspects of society. Veblen's war between business and industry; Dewey's support of distinction between ~~real~~ formal and effective freedom; Holmes' aid to reformers; Robinson's new history; Beard's economic interpretation.

Beard rejected the providential, racist, patriotic, and purely factual approaches to history. "Economic Interpretation of the Constitution, 1913, applied economic determinism only to politics. He documented the hypothesis that the political split over the Const. corresponded to a class-property split. (a rather crude method) He claimed the approach had American origins--Madison. He was closer to Madison than Marx in imputing purely economic motivation to men. But it was not clear whether he agreed with Madison: factions are rooted biologically in differences in ability, like property distinctions; or with Marx: classes are transitory products of the particular economic system. Nevertheless, he was linked with Marxism, for "unmasking" economic bases for sacrosanct institutions.

Dewey: experience is a non-intellectual intercourse with environment. Learn by doing, inquiry as problem-solving. Extra-intellectual factors present problems; context for political thinking is economics. Rejects total concern with the past. Instrumentalism. "Knowledge is always a matter of the use that is made of experienced natural events." Philosopher must determine consequences, judge values, and instruct; he must leave metaphysics for social engineering.

Both ~~in~~ Dewey and Veblen had turned from German ideas, and Germany's position in 1915 permitted them to express this. German Philosophy and ~~Economics~~ Politics and Imperial Germany and the Industrial Revolution (German industry had grown up without business, while England was decaying under business rule).

Dewey supported war, with distinction between force and violence. Bourne: if war is too strong to prevent, how guide it to social ends? ~~Holmes~~ Holmes: Schenck v. U.S.; upheld, but "clear and present danger" rule; Abrams v. U.S.; dissent, "free trade in ideas" urged, democracy as an experiment.

*Q*

+



The influence, methods, aims, and audience of the anti-formalists can best be understood by regarding them, as White does, as members of the American Counter-Revolution. At a time when radical formulas were becoming popular, when a Socialist presidential candidate like Debs could get 900,000 votes, none of these men were revolutionary. They supported the current political framework even to the extent of backing the first World War. They became known as liberals by their efforts to reform the capitalist society from within, to strengthen it against attacks.

They advocated closely similar remedies for the current ills. They all emphasized method--they were proponents of "scientific method," though none did much original thought on the nature of this method. They agreed more explicitly on what they opposed: formalism, a priori methods, dogma, rigid aims and techniques.

They all regarded historical study as the best substitute for experiment. It should be used to solve current problems. Interpretation demands continuity, and this they all found in institutions.

They all emphasized economic institutions.

Radicals relied on their analyses of the irrationality of the existing order. But the anti-formalists never gave many answers; they merely set up the problems. They said this was because there wasn't enough information; actually, they rebelled so strongly against ends and answers that they couldn't give any.

This took the form of either maintaining that, while it was possible to measure values empirically, it was impossible to choose between conflicting values empirically. Dewey claimed that this was possible, but he neglected to do it.

#### Republicans:

From Corruptionists ~~to~~ under Grant to the Stalwarts--Conkling--to Halfbreeds--Blaine.

The Mugwumps--Edwin L. Godkin; George William Curtis; Carl Schurz; responsible business class; when labor threatened business supremacy, mugwumps joined the stalwarts.

Repub program; acceptance of trusts, business control, high tariff, hard money, export of capital, civil service reform  
Genteel tradition in literature; Thomas Bailey Aldrich, Longfellow, Lowell, William Winter, Richard Watson Gilder, Edmund Stedman,  
Relied on monopoly of taste; incidentally managed to suppress social criticism

Darwin: Chauncey Wright, Asa Gray, Fiske, Andrew Dickson White, Draper



After the Civil War: Foreign wars provided labor; ~~inflow of gold~~ gold strike provided capital; war provided subsidies for industry, cheap money, encouragement of heavy industry; agricultural opposition was destroyed; panic of 1837 had discouraged speculative activity.

Growth of railroads provided vast markets; overbuilding provided cycles, encouraging consolidation; growth financed by gov land grants;

Overcapitalization of mergers put financiers in power

Labor: National Labor Union 1867--William Sylvis.

1869 The Knights of Labor, Uriah Stevens--Terence V. Powderly.

AfL 1886

Imperialists: Strong, Adams, Roosevelt, Mahan, Lodge.

Believers in trust organization; Rockefeller, Carnegie, Bellamy, Roosevelt, Sumner, Adams,



### Twenties:

Veblen discredited classical tradition in economics, and legal, moral, and political superstructure (Constitution) as unadapted to changed conditions. He hoped (like others) that scientific outlook would be communicated to politics.

Dewey, Reconstruction in Philosophy: avowed a genetic approach to philosophy, with eye to contexts. Philosophy doesn't arise as an intellectual response to an intellectual problem, but as an attempt to justify social, moral, and emotional convictions of a disappearing age. Rejects apologetics, formal logic, "hair-splitting." Scientific ethics needed.

Robinson and Dewey neglected to propose any aims or specific courses of action (1) because present knowledge was insufficient (2) because of a fear of dogma. Instead they emphasized ~~xxxxx~~ method only, "intelligence," "Science," matter-of-fact procedures.

Veblen did offer a program--abolish absentee ownership--but an admittedly utopian one.

1. Not all empirical statements are statements of value. Holmes, Veblen agree.
2. All statements of value are empirical. hv agree
3. No ethical statements (what ought to be desired) are empirical. hv agree, Dewey disagrees. Dewey tries, and fails, to make ethics empirical. hv avoided the problem.

Beard and Robinson opposed Ranke's thesis that history should give the facts as they actually happened: 1. he omitted interpretative facts 2. he limited facts to political.

Later Beard attacked Ranke because history could not be empirical; it involved selection, which necessarily depended on broad assumptions of historical trends, value judgments. Mistake was that hypotheses do not necessarily value commitments.

All the anti-formalists seemed to contribute toward the advent of a more rational society. They all wrote about science, though they didn't know too much about it. Their main contribution was to break down barriers between the social sciences, and between the sciences and the everyday world. They fought rigidity in intellect and morals, though this led to fear of precision and principles. Later men have reacted away from this, but no such cohesive school has replaced them.

Dewey's fear of fixed ends kept him from formulating any ends at all; though political technology cannot advance without them.

At least we should salvage the temper of the anti-formalists; they respected freedom and social responsibility; humanitarian, courageous.

Ethical statements--judgments about what ought to be done--choice between conflicting values, values as between individuals or between individuals and society.--judgments about what is right or good.



"I have no desire to add another to the cheap and easy solutions which exist of the seeming conflict between freedom and organization."--all right, we'll have to look elsewhere, Mr. Dewey

### Dewey--Human Nature and Conduct

Morals have always been imposed from on high. Severance of morals from human nature resulted originally from ignorance about human nature; it has resulted in much evil.

Instead of placing social reform completely in the individual or in institutions, recognize that conduct is interaction between individual and environment; freedom is found in that kind of interaction which maintains an environment in which human desire and choice count for something. Morality needs the application of specific knowledge gained from science.

A morals based on a study of human nature "would enable us to state problems in such forms that action could be courageously and intelligently directed to their solution.

Children's plasticity of impulse is taken advantage of to stifle originality in favor of docile imitativeness, conformity. Encouraging creative impulses would keep customs flexible, make adaptation to new circumstances easier, instead of allowing complete license where rigid taboos aren't in effect.

Adults distrust child's intelligence, but demand of him moral conduct, which needs a high degree of intelligence if it is to be intelligent at all. Therefore they impress on him emotionally-fixed "moral" habits.

Conservatives appeal to stability of human nature, radicals to changeability of institutions; actually it is customs that persist, instinct that is most easily modified. The fact that certain impulses are released through war does not mean that a peaceful substitute for war could not be found, or that other impulses could be strengthened. In fact, war now starts from different impulses than in classic times. On the other hand, we cannot find one simple peacetime substitute for war, or change one institution without changing others.

An impulse or incentive isn't necessary to stir man from static state; it is a matter of channeling activity. "A motive is a judgment of the probable consequences of an act." Social approbation or disapproval are among the consequences of an act--they constitute one motive for conduct; moral loading of words reflects society's value judgments.

Why are motives now limited to one--profit? Because labor is identified ~~as~~ unpleasure, for which worker must be compensated. But this is not a native instinct; it reflects our particular industrial institutions, in which work provides no satisfactions.

Every reflective choice between alternative actions involves morality; potentially all acts involve a moral decision. The good is the better course; evil is a rejected good.

Theories which identify morals with high motives, pursuit of perfection, obeying supernatural command, acknowledging the authority of duty have two bad effects: 1. they distract attention from conditions and consequences. 2. they limit moral survey to only a few acts.

Progress is growth of meaning of present action. Most systems of morals relegate the meaning of present action to a minor role next to ultimate goals. The doctrine of evolution has been wrongly construed to subordinate present change to a future goal; approximation, rather than present growth. Actually, evolution means continuous change, adaptations.

From the standpoint of approach to a fixed goal, progress is an illusion. Each satisfaction of a want creates new wants; every solution creates new problems. But this is a consequence of expansion, not of failure.



The only good is learning, increasing the significance of activities, increasing the variety and intimacy of connections in experience. We can make others happy only by fostering conditions that liberate their impulses, give them command of their own powers. (( but this choice of the "good" choice of activity--that which will increase meaning--depends on Dewey's assumption of its ethical superiority))

All morality grows out of specific empirical facts, determining conduct. But morality does not reside in perceiving facts and consequences ((ah, so?)) but in the use made of the perception. It must not simply sanction facts as they are. Morality is concerned with the choice between consequences. Intelligence must use facts and natural laws as challenges to intelligence to modify the environment and change habits ((But modify it how? With what aims?))

Freedom is found in the knowledge of facts which enables us to employ them in connection with desires and aims. Liberty involves:

1. efficiency in action, ability to carry out plans, absence of obstacles.
2. capacity to vary plans, to experience novelties.
3. the power of desire and choice to be factors in events.

There is no effective freedom without organization, sacrificing some of 2 ~~xxxx~~ for 1--economic command over environment. But over-organization can enforce monotony, hinder freedom, and stifle change and growth.

We don't use the present to control the future. We use the foresight of the future to refine and expand present activities. Freedom becomes actual in this use of desire, deliberation, and choice.

The reactions of the social environment are a natural consequence of our acts--part of the meaning of our acts. The foreknowledge of how they will react is conscience. Thus all morality is social; not that we ~~xxxx~~ ought to take into account the effects of our acts on the welfare of others, but because of the facts that others take account of our actions and that their reactions do form part of the meaning of those acts. As civilization advances the relative importance of human reactions becomes greater. Our conduct is socially conditioned--including self-seeking. The aims of the "individualistic" man are what they are because of the values of our society; he pursues his unjust advantage as a social asset

Most moral judgment is associated with praise or blame, so that resulting conduct has emotional rather than intellectual roots. What we need is social judgments that help an individual to analyze his motivations--a science of human nature. The present role of supernatural explanation of morals shows the failure of present science. The concept of Right as an expression of authority is the main tool of the anti-empirical school.

The authority of Right is the exigency of the concrete demands made upon us by others.

The acts in which we express our perception of the ties which bind us to others are the real religious acts.

All morals are social--but "ideal" morals begin with a perception of the differences among what is social, the best choice among social ends ((all right, Dewey--which are the "most social" ends?)) We can't choose properly unless we observe them in a spirit of scientific inquiry.

"If standard of morals is low, it is because education is defective ((then are there certain social pressures which education should make paramount? What are they? Dewey has an answer, but not an empirical one))



## Orestes A Brownson

In 1832, having been Pres. and Universalist, he became Unit minister in Walpole, New Hampshire, Later Canton, Mass. Wrote on French philosophers for Unit journals, met Ripley and Thoreau. From Constant he got confirmation that religion did not need logical support; from Saint-Simon, idea of church as organ of social reform.

After being in Workingmen's Party with Wright and Owen, he concluded that social reform depended on moral reform. However, privileged class always fights reform--and clergy is usually privileged class. Emphasis on individual character stemmed from relatively world of the day, in which business relationships could still be thought of in terms of individual morality. But if education is necessary--how institute it without social change. Moralists look for progress through harmony.

Associated with Transcendentalists, but passion for rigorous logic kept him on the fringes. Independent preacher in Boston--1836.

Promoted the Church of the Future, the Society for Christian Union and Progress. Intellectual liberty, social progress, and spiritual morality. In New Views of Christianity, Society, and the Church he expounded Cousin's aim in religion to blend spirituality and materialism, Protestant and Catholic. Believed that all systems had truth and became wrong when they became exclusive. 1836. Typical of others' books attacking the sterility of Protestantism, conservatism as represented by Andrews Norton.

Rebels against Units also became rebels against Federalism. Brownson alone was active-- making reform respectable by wedding it with religion, but in the Boston Reformer he still believed in the efficacy of education.

~~Specie~~ Specie Circular and the failure of the Barings in London (throwing their American securities on the market) led to closing of New York banks in May, 1837. Depression found a large dependent industrial population, bringing ~~with~~ hitherto-unknown suffering. Brownson realized the the financial system had burst the bonds of a personal morality. Moral reform was too slow.

Recognized that the interests of the poor and rich were not identical. Cause of depression was abuse of credit by banks. Became an ally of Bancroft, who had become Collector of Port of Boston in 1837, in working for immediate social gains. Through Bancroft, in 1838 became steward of U.S. Marine Hospital at Chelsea.

December, 1837, he started Boston Quarterly Review, wrote most of it. Preached reform, but said that justice must be superior to popular will. People's sovereignty must be limited by state's rights.

But the social problem was now only the triumph of the people's party. If individuals could be made perfect, why bother to perfect institutions; and how were institutions imperfect under which men could become perfect?

Opposed abolitionists because they obscured financial problems, attributed to individual Southerners the faults of the social structure--and because they weakened state's rights, the rights of minorities. Also opposed eccentric reformers, Whigs, corporations, and the conservative influence on literature.

Traced historic evolution to class struggle; the middle class had destroyed feudalism but was now conservative.

Van Buren proposed to Congress specie payment and sub-treasury system, but Clay and Webster defeated it in 1837 and 1838. Brownson saw three policies tending to business control of gov: internal improvements, protective tariff and national bank; Jackson had opposed all with Maysville veto, tariff of 1832 and veto of U.S. Bank. He espoused Sub-treasury plan, but had to make Democrats respectable to Boston. He said true Christian must be a Democrat.



In December 1839 the Whigs nominated Harrison, who had taken no stand on political questions, and Tyler, who was not a Whig but who could win Southern votes. They did not even adopt a platform.

In July 1840 in The Laboring Classes he protested against universal inequality, the injustices of capitalism being worse than those of slavery. "Wages is a cunning device of the devil, for the benefit of tender consciences, who would retain all the advantages of the slave system, without the expense, trouble, and odium of being slave-holders." Frontier has already receded.

Wage system must be supplanted by system whereby laborer could eventually become independent. Priest always league with the employers; "As a body they never preach a truth till there is none whom it will indict." After Tom Paine, he preached destruction of priesthood.

Social ills can only be cured by changing the social structure. Even if all men were Christians, present conditions would result from present institutions.

Proposals were not so good. Repeal all laws burdening laboring class, destroy banking system, monopoly and privilege and inheritance. These reforms will be achieved only as the outcome of a bloody class war.

The Utopians wanted to avoid the evils of laissez-faire by establishing independent communities without technological advance and without competition. Marx wanted a dynamic state in which competition would be outmoded. Brownson demanded the return of true laissez faire (few economists of the day realized that monopoly was currently dominant). He wanted to restore personal economic relationships; he didn't see that rise of the corporation was due to the rise of the machine, and not to power-hungry financiers. Return to independent artisans. The best American study of the social structure before the Civil War.

The Laboring Classes was used by Whigs to prove Democratic socialism. Administration repudiated it. Channing: "No good can come but from the spread of intellectual and moral power among all classes." Transcendentalists ignored article, but Parker gradually became convert, using Brownson's distinction between Christianity of the church and the Christianity of Christ.

Brownson presented as a revolutionist and Jacobin to upper classes, slanderer and preacher of free love to the workers. Everyone turned on him. But in October he printed a new article on the Laboring Classes.

the growth of industrial society, the scarcity of land for the workingman, sharpened class conflict. Universal suffrage was useless where voters were not equal; property would always be the concern of gov. Rejected as cures free trade, universal education and religious culture, defended abolition of inheritance.

But the Whigs campaign as the party of the people counteracted the prestige of the Dems and the federal patronage. Brownson lost faith in democracy, concluded that good government needed stronger guarantees than popular suffrage and popular virtue and intelligence.

Government always extended its powers for the benefit of business; democrats should therefore be constitutionalists. Brownson proposed an alliance of ~~xxxxxxx~~ workers with states' rights Southerners to combat Whigs. Conversations with a Radical continued radicalism.

Allied with Calhoun in fight against bill to distribute profits from sale of public lands to states. When bill was passed, he became more of a constitutionalist. Still believed in the sovereignty of the people within the limits of justice, but new emphasis on limits.

Abandoned Trans. "nuisance" theory of gov. Gov proceeded inevitably from man's imperfections; its ends were individual liberty and social progress. "That form is the best of for a people, which in its practical workings best realizes the true end of government." Constitutional Government 1842. Rejected infallibility of democracy.

"In practice the will of the people is the will of that interest in the community which is able to command a ~~xxx~~ majority."



Concurrent majorities, based on states, would prevent gov from oppressing (laboring) minority. Give economics direct representation, instead of hidden influence through geographical representation.

Defects were: assumption that states expressed economic interests, and requirement of unanimity; state would be made powerless as arbiter.

Brownson became American exponent of Victor Cousin. Rebutted Norton's address 1839 "The Latest Form of Infidelity"; Trans were trying to save Christianity, by finding grounds for religious faith in intuition.

After 1840, he lost his faith in direct communication between people and God. Religion became more important to him than a mere sentiment. Began to preach divine intervention. Abandoned Cousin for Pierre Leroux; Man progresses by communion with what is not himself. God provided intermediaries between himself and mankind. New faith in the mystical mission of Jesus; salvation through grace.

Brownson liked Brook Farm but rejected their belief in subjectivity of truth and religion.

In 1842 he abandoned Boston Quarterly Review to become contributing editor on J.L. O'Sullivan's Democratic Review. Antagonized readers by metaphysics, anti-democratic theories and obscurity. Finally left to start Brownson's Quarterly Review 1844. Worked for the nomination of Calhoun in 1844; supported Polk mildly.

Still saw trend toward feudalism in wage-cutting; ascribed business cycle to organic causes. But new emphasis on salvation by grace; external reform impossible due to original sin. After a long struggle to maintain Catholic doctrines outside the Church, due to prejudices against Catholicism, he became converted in 1844. with his family.

"inherited faith did not suit them, and their will-to-believe was too strong for them to ignore religion altogether." came from rural New York. Abandoned all old views, attacked old friends, gave the Review over to Catholic doctrine. Abandoned alliance between Christianity and reform. ("poverty is not an evil; social evils arise from evil passions of men." Opposed revolutions of 1848. Kept Mass from amending const.

Doctrine that the authority of the church is superior to that of the state lost support even among Catholics. Attacks of Know-Nothing Party led him to rebuke Catholics for failing to assimilate themselves into American tradition. He moved to New York, away from Irish Catholics. He said that Church should now champion liberalism in Europe, since despots were in power. But in The Spirit Rapper 1854, he traced ~~xxx~~ spiritualism, and other movements to Satan. Although adherence to strict Catholic doctrine had impaired his logic, he tried to again find his own solutions to philosophical doctrines, against opposition. Inadvertently became chief Catholic literary critic.

After conversion he defended slavery, Compromise of 1850. But he began to fear political dominance of the Southerners, possible disunion.

Finally voted for Lincoln, defended his war powers, even proposed the immediate emancipation of the slaves as a war measure. In 1864 he worked for Fremont for president, until Fremont quit. Lost Catholic (Democratic) support, and Review lost sanction. Became more liberal in religion.

After his conversion he had safeguarded property rights by denying that state could change them, since they existed before state. Defended aristocracy. After the war he reasserted the sovereignty of the people as a whole, though acting through states. Since states had never acted as sovereign states, they are not. 1865 The American Republic: Its Constitution, Tendencies and Destiny. Rejected aristocracy and state's rights.



In 1859 he met the challenge of Darwin to religion by denying that science and religion could collide, since science could not claim absolute truth.

Triumph of business and corporations after War embittered him further. In 1872 he revived the Review, denounced radicalism and liberalism in religion. Died, April, 1876.

Brownson was not blind follower of authority nor lover of novelty. Devotion to truth, search for absolute certainty and security. The logic and force of his journalistic style made him seem an extremist, although he usually took a middle position. In economics, insights on the decline of the frontier in softening class conflict, organic nature of the business cycle, dominance of economic factors in history, class struggle.

Complete trust in logic made him seek simple solutions.

Rose from Vermont poverty untaught to become a national figure. "Lonely pursuit of truth" was the cause of his failure.

Rejected Pres. because it demanded faith on grounds that insulted reason. Universalist minister, but became interested in politics.

Frances Wright thought Americans didn't recognize the dominant role of environment in forming character; fault of clergy. Used Owens doctrine that man is the passive creature of circumstance. Eventually labor abandoned the Workingmen's Party, not really being interested in long-range reform. Finally he left them.

Charles Elwood, or the Infidel Converted; faith in God intuitive.



Local color school: patterns of past; a defense against changes. Better adapted to short story. Dialect had been used before (Lowell-Bigelow Papers). Mainly N.E. women: E.S. Phelps, E.T. ~~Whittier~~ Cook, Mary W. Freeman, Sarah O. Jewett.

Mary Wilkins Freeman: dired-up local characters; spinster preacher. Howells liked this. Didn't plumb psychological depths.

Sarah Orne Jewett: N.E. doctor's daughter. 1869-Atlantic story. 1896: "Country of ~~the~~ Appointed First" the best, most artistic.

But while N.E. local color was only mildly urgent, the South had to explain and justify the Civil War. George Cabell. War must seem necessary and honorable; celebrate courage.

Far West: Bret Harte; commercial stimulus by his success: first to exploit the West. 1868-71, ed. Overland Monthly. He gave readers what they wanted; simple virtues, morality triumphs. Solid physical evocation of the past. Brilliant craftsman on superficial level; catering to eastern condescension.

Mid-west: during a period a general agricultural depression; Grangers, RR rates, greenbacks. Hardship, but not resignation. In '70's, Edward Eggleston, realistic, recorded drabness without need for change: Hoosier Schoolmaster, Circuit Rider. In '80's, bitterness: "Story of a Country Town"--opposed materialism.

In 1887, Kirkland wrote Zury (mean mortgager).

Hamlin Garland: wrote for Howells; briefly a single-taxer. 1891: Main-Travelled Roads. Prairie Folks. Wayside Courtships (all short stories). Novels not so good.

First literary wing of populists. Transition between local color and realism. 1894 Crumbling Idols; art must not be imitative; create image of life. To the "veritist", this country interesting. fidelity to own experience.

Garland accepted Howell's restrictions. Declined with populism. Biog. of Grant; "night ~~at~~ on important issues." Increasingly conservative--light writing on far west. 1814-4 Son of the Middle Border--resigned now. As his wealth increased, feared proles. d. 1940.

As agrarian unrest replaced by urban unrest, M-W radicals grew conservatives grew conservative. But farmers were only "foul weather" radicals. As prices increased, less radical. No intellectual foundation.

William Allen White: conservative, opposed Bryan; novels; A Certain Rich Man, Times Changeling, 1909-10.

Populism: first challenge to business. Greenback-Labor height at 1878. Rices rose, Knights of Labor. 1880: James Weaver. 1884: Ben Butler. 1888: James Streater.

National Farmer's Alliance

1890 election: Kansas went Pop. S~C~ had Pop governor. 1892: Ignatius Donnelly drafted platform. (wrote Caesar's Column) If Pops didn't succeed, civilization would collapse, underprivileged would perish.



## The Rise of American Civilization

Beards:

Had Northern and Southern economies remained static, conflict could have been avoided.

Davis accused free-soilers of using slavery as a pretext to secure Northern domination. Seward claimed that gov was already dominated by Southern slave-property-holders. Clash was not the work of fanatical agitators but an irrepressible conflict. 1858. Useless to appeal to slaveholders to reform themselves.

In 1852 and 1856 Democrats swept country. They proceeded toward (a) extension of slavery: repeal of Missouri Compromise, Ostend Manifesto, Cuba and Nicaragua, ~~Dred Scott~~ Dred Scott decision, decision that Fugitive Slave law was legal. (b) withdrawal of gov support from industry: subsidies for trans-Atlantic steamship lines discontinued, 1859; tariff reduced 1857 (revealing sectional split in Congress). Panic of 1857, caused by paper money policies of Dems.

Events of 1850-60 showed growing consolidation of planters and domination of Democrats; planters had to leave Whigs and join Dems, where the power lay, though they disliked wildcat banking. With Southern support gone, Whigs had to find new allies; Republican party was composed of northern Whigs, Democrats opposed to southern dominance, and free-soilers.

Repub platform in 1856 made free-soil the main issue. Dems had agrarian-slavery platform, and Northern candidate, Buchanan. The old Whigs backed Fillmore, on Know-Nothing ticket. Election showed that popular majority opposed anti-slavery agitation, but also showed that Whigs could win with right allies.

Southern program in 1860 in Congress called on Congress to protect slavery in the territories. Federal gov was to do nothing for business, and South was to get enough political power to sabotage business program.

Northern Democratic farmers refused to guarantee planters supremacy, so Dems split. Repubs platform called for free soil, free homesteads, protective tariff, and a Pacific railway. Lincoln (who favored enforcing the fugitive slave law and opposed abolition) was chosen to win Ohio Valley. Whigs and Know-Nothings, fearing war, backed Bell and Everett in Constitutional Union party. Homesteads in the West, protection in the East, were stressed in the Repub campaign. Results of election showed that slavery agitators were in minority.

Slavery was important because it was a labor system and the foundation of the planting aristocracy. With the aid of free farmers, that aristocracy dominated the government and started policies opposed to capitalism. If the Southerners had granted the North tariffs and subsidies the conflict would have been avoided.

The only abolition party, the Liberty party in 1844, was small minority. No politician ever committed himself to abolition. Lincoln said "We must not interfere with the institution of slavery in the states where it exists because the Constitution forbids it and the general welfare does not require us to do so." Even free soil got popular support only on a business platform.

States' rights was not an issue; New England had nullified law in 1812, Wisconsin nullified fugitive slave law (rebuked by Taney). 1859 Both parties claimed to uphold the Constitution; on slavery the Repubs appealed to higher law and Declaration of Independence; on secession, there is no evidence that founders of gov intended an association of sovereign states; there is no provision for dissolution. As ~~the~~ for the will of the people, there is no evidence at all.



## Civil War

James F. Rhodes:

"And of the American Civil War it may safely be asserted that there was a single cause, slavery." ~~Tariff~~ Tariff dispute of 1832 showed that the Union couldn't be broken up on ~~tariff~~; state's rights were unimportant.

Admission of California, made free by the '49'ers, threatened to destroy equilibrium between North and South. In 1850, 350 thousand slaveholders, 8000 large, out of population of 6 million. By Compromise of 1850, Clay and Webster: California a free state; slavery not prohibited in New Mexico; new Fugitive Slave Law; slave trade, but not slavery, prohibited in District of Columbia.

Five weeks after the repeal of the Missouri Compromise in 1854 the Republican party was formed. In elections of 1854 the Democrats became a minority. Race to caputre Kansas; Buford's battalion against Beecher's Bibles. John Brown's raid on Pottawatomie. Brook's attack on Sumner. Buchanan wins over Fremont, 1856. Taney's Dred Scott decision nullifies Repub platform of abolishing slavery in the territories 1857. Douglas~~x~~ regained popularity by opposing Buchanan on issue of Lecompton Constitution. Eastern Repubs didn't want him opposed in 1858, but Lincoln became national figure in their campaign debates. In 1859, Hohn Brown attacked Harper's Ferry.

Phillips:

The one thing that gave the South unity was the resolve to keep it a white man's country. Slavery defended not only as a vested interest but as a guarantee of white supremacy. This was why non-slaveholders fought for the South. Most of the planters in the '40's were actually Whigs, and they supported Bell's Constitutional Union party; they had more to lese in a war, and they had less antipathy for negroes.

"Southernrights came to mean racial security. John Brown's raid indicated that Norther~~ers~~ had lied in saying they were interested only in moral suasion, and Repubs were abolitionists in disguise.

Edward A. Pollard, in The Lost Cause Regained, 1868, said South had been wrong in defending slavery on constitutional or property grounds,

since it was really a barrier against race war. Plan to put negroes in control was really a scheme for the domination of the Repubs.

After whites had regained control, they instituted white primaries, poll taxes, educational requirements to keep white politicians from appealing to negroes for support, since blacks were by nature subversive. Southerners worked inside Dems to prevent rifts. Even now, it is race issue that forces ~~xx~~ South to maintain political solidarity.

Nye:

Chief plank of the abolitionists was a Slave Power conspiracy, a tacit agreement between slaveholders and Northern business to extend slavery to territories and free states, even to whites, to destroy civil liberties, control the gov, and form aristocracy. Alliance of The Lords of the Lash and the Lords of the Loom.

Southern control of the gov was obvious. There was Southern agitation to reopen slave trade. Attempts were made by Southerners to capture Cuba and Nicaragua. Fitz-Hugh's Sociology for the South "positive good" theory of slavery could obviously be extended to whites; in fact, Southerners ~~fix~~ ~~xx~~ frequently did so. Appeal to workers in North; existence of slave labor threatened their own status, and competition of slaves decreased the value of labor. Slave Power threat made it difficult to be neutral toward slavery.

Actually, South was never so unified as to constitute an organized conspiracy, but slave system did constitute an attack on free society.



Beard:

Most of the ~~lawyers~~ members were lawyers, coming from seaboard, where personalty was concentrated. None represented personally the small farming or mechanic classes.

Most of the members were immediately, directly, and personally interested in the outcome of their labors at Philadelphia, and were to a greater or less extent economic beneficiaries from the adoption of the Const.

Corwin:

- a) Members could have not foreseen the appreciation of state bonds, since Const doesn't provide for redemption.
- b) two-thirds of the bonds were held by five men--of small influence in the convention.
- c) the most influential men had negligible holdings.
- d) The adoption of the Const didn't result in much appreciation, since bonds leaped in value after refunding proposal in 1790.
- e) Probably most of the holdings were acquired after 1790.

Beard is right that members wanted to secure property against the attacks of state legislatures. But his claims that situation was not serious, that large numbers were kept from voting, that ratification was rushed through, are dubious.

Warren:

Articles of Confed. 1777: Congress with single House, states having equal representation--no Executive and no Court; gov couldn't tax, raise troops, regulate commerce, or execute laws; States could tax, coin money, regulate commerce.

Even in 1780 the need for tax revenues to maintain public credit and the fear of disunion were causing leaders to plan a stronger gov. National unity was itself a goal of the founders. Their fears were stimulated by proposals to divide the republic into two or three confederacies; New England, by Jay's plan, tried to exclude the Western states from the union.

Perry:

To promote unity, colonists tried to rationalize their grounds for resisting the British, first on legal then philosophical grounds. First a distinction between internal and external taxation; then no representation in Parliament; then no allegiance to Par but to the king. Finally an appeal to "natural rights", not appealed to British courts.

Declaration of Independence justified an illegal act (act of independence, July 2, 1776) in terms of the philosophical principles on which law is based. Didn't reflect Locke or any one source so much as the general attitude of the day toward natural rights. Declaration was rationalization; it was itself a cause of later events. But it is not true that Declaration's philosophy was invented for the occasion; it expressed the underlying philosophy of the day.

Hamilton:

Bill of rights unnecessary, because prohibitions are already incorporated in Const. In fact, dangerous, because they could be held to imply that the powers it restricted were under the jurisdiction of the Const.

Pure democracy leads to a rule of tyrants. The republic would be sufficiently responsive to popular opinion. And a good gov, no matter how or by whom elected, will command popular confidence.



## Constitution

Schuyler:

War was fought for local self-government. When state legislatures debased currency or erected trade barriers, these reflected will of the people. Articles of Confed favored small farmers, artisans, and tradesmen. Two parties sprang up, one favoring strong gov with tax revenues to maintain state credit and to ~~legislate~~ regulate states. The second, a majority in some states, wanted no change. Being in control of state legislatures, they wanted no curbs.

The clauses of the Const. were designed to remedy specific defects of the Confederation; therefore they must be understood in their historical setting.

Attacked state sovereignty:

- (a) direct relationship between federal gov and the people.
- Dual allegiance of citizens to state and gov.
- (b) state court required to uphold "supreme law of the land" over state law; appeal to Supreme Court intended.

Defects of Articles with respect to separation of departments, structure of legislature, amendments, were remedied. It was expected that electors would vote for favorite sons, so that election would usually be thrown into House; the party system made possible concentration of electoral votes.

Madison: "the mutability of the laws of the States" was cause of Federal Convention. There was political conflict, concession and compromise between large and small states, but there was no economic conflict, because only one party was represented.

The clause providing that it would go into effect when ratified by nine states was a coup d'etat. The adoption of the Const was the work of a party; in every state opinion was split along economic lines.

Federalists had on their side the patriotic desire for national unity, fear of dissolution.

Smith: Loyalist

During war/conservatives were silenced, checks and balances were all absorbed in legislatures. Convention was conservative reaction. Aim was to eliminate the influence of the people on legislation, while maintaining the semblance of democracy. Secrecy kept their contempt for democracy private.

From the start the Convention rejected the whole system of the Articles. Aim was not only strong gov but a stable one, not too responsive to public opinion. They gave gov just enough features of popular government to ensure its adoption.

Parrington:

Problem of refining representation so as to guarantee stability to the government and security to the minority. Property was natural conservative force. Stake-in-society theory. Danger of a time when landholders would be a minority.

Madison: Gov "ought to be so constituted as to protect the minority of the opulent against the majority."

Danger of arousing public passions and destroying public veneration for gov. "Factions" must either be prevented from attaining a majority, or majority must be prevented from achieving action.

Lee denied that situation was so urgent that immediate ratification was necessary.



Foner:

## Business and Slavery

Beard ignores the role of businessmen who had more to lose by the dissolution of the Union and the disruption of trade relations with the South than from the dominance of the planters or slavery.

Although New York businessmen were originally free-soil, they abandoned all disputes which threatened to cause a sectional breach. They opposed Wilmot Proviso and backed Compromise of 1850. When repeal of Missouri Compromise became political issue they opposed Repubs. Supported Lecompton Constitution to remove Kansas issue. Supported compromise proposals to win Southerners. Helped Buchanan win in New York and Penn, defeated Scott in 1852. Although some businessmen distrusted the South, all profited by trade with her, and all opposed war.

However, when South had seceded, all businessmen supported the campaign to preserve the Union.

Osterweis: South Carolina and the Idea of Southern Nationalism

Langdon Cheves expressed "romantic nationalism"; desire for a homogeneous population, of common descent and institutions. Cultural nationalism, stressing peculiar traditions and institutions. Almost the entire South opposed the tariffs of 1824 and 1828.

Thomas Cooper, president of South Carolina College; in 1827, "it was time for South Carolina to calculate the value of the Union." Pioneer of Southern nationalism.

Calhoun, originally War Hawk, favored Second Bank, tariff of 1816, internal improvements. Changed in 1828, to gain political backing in his own state. Although he tried to compromise and preserve the Union, after his death he became a symbol of the fight for Southern independence.

Unionists in South Carolina, Cooperationists, and Immediate Secessionists, 1847-1852. Coops favored united secession of slave-holding states in Nashville Convention, 1850. Issue of secession by a single state or action by the whole Southern community.

Hammon, chairman at South Carolina secession convention, had been influenced by Herfer, Michelet, and Lamartine. The members of the convention definitely planned to launch a Southern confederacy; they provided for Souther convention at Montgomery, Alabama, 1861.

Timrod: "At last we are a nation among nations."

## Lincoln the Liberal Statesman

Randall:

~~ixix~~ To suppose that the Union could not have been continued or slavery outmoded without the war and without the corrupt concomitants of the war, is hardly an enlightened assumption."

"A delay of secession till all the South could have taken part in a widely representative gathering, with the main issue reserved for popular vote--would probably have prevented the war."

"It was small minorities that caused the war; then the regions and sections were drawn in." But all his examples of misbehavior are Southern.

"There was no prewar grievance, or Northern threat, or brutal aggression, that made the Union culturally, economically, or politically unendurable, or continued peace intolerable, to Virginia."

Leaders of secession, even after election of Lincoln, still could not trust their case to an all-Southern convention or to Southern cooperation. Secession proceeded by separate state action--which leaders could manage--and upper South came in only after the beginning of the war.

Cause of the war was fanaticism (such as that of Rhett and Yancey).

De Voto:

Slavery was the source of the national conflict, yet it was fought



out on the issue of slavery in the territories--where slavery could not exist. Randall attributes agitation to Northerners (?). Basic problem, which revisionists obscure, is Why did American people fail to meet the basic problem squarely? Revisionists ignore problem of slavery, and the ~~xxx~~ fact that the South lost control of the gov. Distorted perspective.

All De Voto's thesis based on the assumption that the revisionists are criticizing Northern radicals, and favoring compromise on the part of the North.



## Transcendentalism

Schlesinger:

"Desertion of the intellectuals"--rejection of existing order by intellectuals.

Most authors and artists were Jacks: Hawthorne, Whitman, Cooper, Irving, Brownson, Bryant. ~~John E.~~

Transcend. was individualistic, providing no standard for judging insights. Bancroft modified it: the collective opinion of the people provided a check on individual intuitions.

Flinching from politics into individualism or perfection was an escape from responsibility. Their rejection of democratic politics left the field to their opponents.

Ripley recognized ~~xxxxxx~~ institutional failures, but preferred to frame his own institutions in seclusion. Emerson took little interest in affairs of the day. Thoreau rejected group action, but accepted full moral responsibility. (equivalent to that borne by the men who sought to govern). Whitman had faith in democracy.

Emerson:

Transcendental forms are a class of ideas which did not come from experience, but through which experience is acquired.

Tendency to respect intuition. Extortionate critics who condemn every man because there is not enough of him; they prolong the privilege of childhood of making immense demands on protectors. A passion for perfection leads them to shun society, abandon labor and action. "But the good and wise must learn to act." But every cause is commercial, tinged with compromise and skepticism.

But their lives of escape and rejection are punctuated with moments of insight. Also, they are champions of Beauty. Such people are useful as "gauges," providing standards, leading criticism. A few people opposing commercialism do in fact perform a useful function in society. "Every one to his chosen work."

Meanwhile, "All that is clearly due today is not to lie."

Adams:

Emerson makes life too easy by insistence on intuition and spontaneity; doctrine flattering and appealing to the masses. Corresponds to myth of the common man, but immature in rejecting analysis.

Philosophy of shallow unthinking optimism, ignores suffering, sin, evil. Laws of the world are moral and good; the virtuous must be rewarded.

Rejection of scholarship for "the spontaneous glance" and blind optimism stultify his philosophy for adults. It appeals to Americans, who have never known real suffering.

Thoreau:

Government has no moral sanction, since it rules by the force of the majority. Individuals should never resign their conscience to the gov. (Rule by the majority is not because they are most likely to be right, or because this is fairest to the minority--??). Law is not as important as right.

There is but little virtue in the action of masses of men." A willingness to leave moral decisions to the will of the majority is compromise of conscience. No man is necessarily obligated to abolish evil, but he must not give it tacit support. Unjust laws should be immediately transgressed. Abolitionists should withdraw support from Mass (because of Fugitive Slave Law).

"I don't have time to remedy evil." "Under a government which



imprisons any unjustly, the true place for a just man is also a prison." Law can't force man to do injustice.

"The rich man is always sold to the institution which makes him rich." But so long as I don't need protection of gov, I needn't ~~xxxxknow~~ acknowledge authority. I have no right to be satisfied with men as they are. Accepting constitutional sanction of slavery is an escape from individual responsibility.

Gabriel:

Emerson was popular for his emphasis on individualism. Collectivism was escape, ignored the basic problem of the individual.

Parker:

Trans. says man has faculties which transcend the senses, give man ideas and intuitions that transcend sensational experience.

In politics, appeals to natural, absolute right and justice, by which to judge actions of majority. In ethics, obeys inward law, immutable morality of God-given conscience.

'By sensationalism, religious faith is a belief in a possibility. By trans, it is a natural faculty of man, which gives him certain knowledge; where understanding ends, faith begins. Religious belief is supported by universal "facts of consciousness"--i.e. intuitions.

Commager:

Reformers had in common a belief in the perfectibility of man and the inevitability of progress. Ability of man to attain divinity; opposite of Calvinist belief in depravity.

The church was conservative. Parker was the only reformer who remained in the Church; thought social reform was the duty of Christianity. Thought war inevitable, but was active in politics and lectures. Advised and scolded all Free Soil and Repub leaders; Chase, Seward, Sumner, Wilson, etc. Rejected compromise, expediency, timidity, formulated aggressive policy but still kept hold on politicians. Parker was the Conscience of a Party.

Transcendentalists rejected compromise, wanted to fix society at one stroke, by a sudden transformation of all individuals, instead of working through institutions for gradual improvement. Should they make the world better by renovating man's character (Emerson and Thoreau) or by organizing to improve his institutions (Ripley and Alcott). Should ~~institutions~~ institutions be improved gradually (Bancroft) or by sudden change?



Lawyers were aristocracy, represented property. Marshall's decisions (after Marbury v. Madison 1803, which asserted right to determine constitutionality) did not strengthen federal government (except veto power of judiciary) so much as weaken the power of state legislatures to hurt property rights.

1. ~~Fletcher~~ v. Peck 1810--state could not recapture property granted away by a corrupt legislature.
2. Martin v. Hunter's Lessee--1816--Court could review cases decided by highest state courts when federal questions were involved.
3. McCulloch v. Maryland 1819--sanctified national bank, forbid states to tax it.
4. Dartmouth College Case 1819--Translated corporation charters into contracts, which states couldn't impair.
5. Gibbons v. Ogden--implied that states couldn't regulate interstate commerce even when they didn't interfere with federal law.

### Taney I Corporations

Charles River Bridge Case--(C.R.B. v. Warren Bridge, 1837)

Harvard had operated ferry between Boston and Charlestown from 1650-1785, when a corporation was chartered to replace the ferry by a bridge, to collect tolls for forty years and pay an annual stipend to Harvard. In 1792 another bridge was built between Cambridge and Boston, and owners of the first bridge were compensated for loss in revenue by allowing them to collect tolls for an additional 30 years.

By 1828 the capital of the Charles River Bridge had been repaid several times, but the owners refused to reduce tolls or improve service. In 1828 ~~not~~ the legislature chartered a company to build the Warren Bridge close to the C.R.B. which would be surrendered to the state after construction had been paid for, or after 6 years; afterwards to be free to the public.

Owners of the C.R.B. claimed that their charter had been unconstitutional, since competitor reduced its toll revenues. Marshall had agreed in 1831, but case wasn't tried until 1837. Warren Bridge was free by that time.

Taney thought that corporate privileges should be granted only for the public benefit.

Did Charles River Bridge contract give contract rights which were impaired by chartering the Warren Bridge?

Webster and Dutton, for C.R.B., claimed that legislative action could impair all property values, destroy confidence.

Taney decided that all public grants must be construed strictly, and that a corporate charter did not imply monopoly rights.



Haavelmo:

A test of a statistical hypothesis is a rule of rejection or nonrejection of the hypothesis, on the basis of a given sample point. Each observation is an independent random variable; we form a hypothesis about the joint probability law of  $n$  observations (one sample point).

The hypothesis specifies the probability that the sample point will fall within a certain region. We pick a region having a probability of  $\alpha$ ; our rule is that if sample point falls in this region we reject hypothesis; Since the decision depends uniquely on a sample point, which is a random variable, we can speak of the probability of the decision being right or wrong. The region is to be picked so that if the hypothesis is not true, there will be a probability of rejecting it as large as possible (this is the power of the test).

Estimation:

Assume that joint probability law is known except for a certain number of parameters. We define a function which associates every point in the sample space with a set of points in the parameter space. This interval is a random variable, since it is a function of the random variable sample point. We can thus speak of the probability that the interval will cover the true sample point; the interval is a confidence interval.

Mood: p. 148

Efficient, consistent, sufficient, unbiased.      max likelihood.

Hoel: p. 64

Random sampling: Consider single variable  $x$  with dist. function  $f(x)$ . Let  $x_1, \dots, x_n$  be  $n$  observations. Sample of size  $n$  from population represented by  $f(x)$ . In repeated samples,  $x_1$  will be a variable.

Sampling is random if in repeated samples,  $x$  are independently distributed and each has the population distribution.

Mood: linear regression      289

Consider a family of populations with a set of variates a set of parameters  $G$  (unknown), a set of parameters  $z$ , which are observable and known for a given sample.  $f(x; G, z)$   
We make inferences about  $G$  from samples with different values of  $z$ . We deal specially with normal distributions in which the mean is a function of the observable parameters; the variance is assumed to be independent of the observable parameters.



Ruggles:

Criticisms of MC Pricing:

Since subsidies would be necessary to cover total costs in decreasing costs industries, most of the discussions are incomplete in failing to provide a method for covering total costs which would not violate some of the marginal conditions, and/or in failing to insist that all losses due to the introduction of MC pricing be compensated.

- 1) Those following Hotelling in calling for an income tax to subsidize decreasing cost industries fail to recognize that this would be an excise tax on effort (and perhaps on "waiting"), thus violating the marginal conditions.
- 2) More generally, it would not seem possible to redistribute income without affecting the operation of the pricing system which brought about the initial distribution, or changing the pricing system.
- 3) If the tax is not collected from the people who benefit from the subsidies (and most advocates don't insist that this be done) MC pricing leads to a redistribution of income; people who are taxed but who don't consume the product lose. To put it another way, MC pricing under these circumstances involves a redistribution of income from consumers of increasing-cost products to consumers of decreasing-cost products.
- 4) More generally, if those who would lose by MC pricing are not compensated, then MC pricing cannot be recommended without making interpersonal comparisons.
- 5) Perfect price discrimination could achieve optimum in which total costs were covered.
- 6) Where a commodity excise tax doesn't affect the amount purchases (i.e., a commod. which is price and income inelastic) it may be closer to being a lump-sum tax than an income tax is. e.g., in the specific case of a toll road (where savings in gas and time are considerable, compared to alternative routes), a toll may have little effect on use; hence it would act as a lump sum tax which would cover total costs and would be allocated to those who benefit by the road.
- 7) Operation of wholesale and retail distribution units at MC would pose great problems with respect to entry.
- 8) Where MC pricing is supported on the grounds that others besides those directly involved would benefit (Hotelling) the same argument could be used to justify pricing below MC.
- 9) The task of allocating the costs to those who benefit, so that no redistribution occurs, in such a way that marginal conditions are not violated, poses great problems. Some form of price discrimination would seem necessary. ~~xxxxxx~~ It might be necessary to know a person's tastes and capabilities, as well as his actual purchases and services.



Nancy Ruggles: The Welfare Basis of the Marginal Cost Pricing Principle; RES 1949-50, No. 42

((Distinguish between: a) there is more of every good in B than in A; b) each person holds more of every good in B than in A; c) each person is better off in B than in A; d) society is better off in B than in A.))

By assuming a "constant marginal utility of money" Marshall ruled out the possibility of increasing total utility by shifting money from one consumer to another--in connection with the additional assumption that different individuals had identical utility schedules (i.e., levels of utility of money were equal, slopes zero). These assumptions are necessary to consumer surplus analysis.

Scitovsky's double criterion: A is better than B if there exists A' C B (i.e., A' derivable from A by compensations) such that A' is better than B, and if there is no B' C B such that B' is better than A.

((Samuelson: ~~thisxxxxxxx~~ there may be B' better than A'; in general, it is necessary to compare both possibility loci)).

The Kaldor-Hicks-Scitovsky notion that welfare has been increased even if compensation is not paid (if overcompensation is possible) implies that welfare is not affected by changes in distribution.

The economist does not say that compensation should be paid in a particular case; he is simply unable to say which situation is better if compensation is not paid. (without making interpersonal comparisons).

((Marginal conditions are necessary but not sufficient for a best state; they are sufficient but not necessary for a bettering of state. ))) ???

Early history of MC-pricing controversy: discussion of consumer's surplus in increasing and decreasing cost industries, with interpersonal comparisons assumed possible. Later, claim that it led to an optimum, with no need for interpersonal comparisons.

Hotelling: 1) there is a way of replacing excise taxes by lump sum taxes so that the gov gets the same revenue and everyone is better off; 2) optimum will be reached by universal MC pricing, with deficits made up from lump-sum taxes (in which he included income taxes).

Prices must be equal, not merely proportional, to marginal costs; if prices of consumers' goods were not equal to MC, but prices of factors were equal to marginal products, the relationship of work to leisure would be altered, so marginal conditions would not be met everywhere. On the other hand, if prices of factors and finished goods rose proportionally, prices would still equal MC.



Arrow:

New welfare ec studies "maximal states" such that no state is preferred (by all) to any of the maximal states.

Use of calculus on this involves assumption that each individual consumes some amount of each commodity. 36

BUT: 1) Which maximal state to choose? A non-maximal state will have several max. states preferred to it.

2) Conclusion that mrs between two commodities is derived from hypothesis <sup>be same for all consumers</sup> that each orders social states solely in accordance with the commodities he receives under each. p. 37

[ This doesn't argue against opt. production conditions, since <sup>relative to</sup> these resources whose employment in alternative uses is indifferent to every member of the community ]

Kaldor: states which are derivable from each other by compensations are thought of as being at the same level of production:  $x C y \Rightarrow x \sim y$ . Out of each "equivalence class"  $\{x, y \in S \Leftrightarrow x C y\}$  pick one state as representing the best "distribution"; then compare these "admissible" alternatives, ignoring others; pick the best.

Simple form: ~~pick~~  $x$  represents greater "aggregate production" than  $y$  if  $x' C x$  is preferred to  $y$ .

BUT: 1)



little: 86) Just as in old welfare ec, new welfare ec requires a judgment about dist. <sup>2 pt. of the</sup> If before any welfare judgments can be made; there is no reason to move to optimum net if this involves bad dist.

1. Tastes must be constant.
2. Set of people must be constant (e.g. no birth or death).

151 against MC pricing: if taxes (except poll tax), other opt. conditions aren't satisfied. 137

2.



If you once tried to prove possibility of miracles by scientific standards, a way is opened to disprove them.

Divine revelation was no longer sufficient explanation for the origin of the Bible. "Higher criticism" began in Germany about 1800, spread to U.S. c. 1850. Also criticism of validity, centering around question of the age of the earth.

Bible set creation at c. 4004 B.C., occupying 6 days, whereas geologists found evidence that millions of years had been required (c. 1850), no evidence for general deluge. Clergy attacked geologists:

By accepting scientific support of Combes (order of creation) and Buckland (general flood) clergy exposed themselves to the chance that scientific criteria might go against them.

Although <sup>some</sup> said: "Geology or theology," but there were attempts to reconcile the two. Silliman: reject literal interpretation of "day" (6 periods of creation, corresponding to geological periods); man (though not earth) was only a few thousand years old. Suggestions Relevant to Study Philosophy of Geology.

Hitchcock: Religion of Geology.

Clergy tried to regard science as invariably supporting theology; eventually, led by Henry, Silliman, & Bushnell led religious retreat from realms of science and history to domain of faith and ethics.

X "Revealed" religion gave way to "natural" religion, based on human needs and experience; experience became test of revelation.

Whereas at the start of the century religion had been for most people a set of concrete images - God, Resurrection, etc.; c. 1850 it was a set of concepts, depending on nature, not revelation. See supernatural elements.

New attitudes toward human suffering and happiness. According to Calvinism there was "other-worldly" emphasis; misery was test, a blessing in disguise. Humanitarianism emphasized happiness of for all men in this world. This reflected new attitudes in politics. By end of 18th cent it was commonly X accepted that function of religion was to promote human happiness.

Living now is back to Edwards - religion to awaken moral responsibility - away from 19th cent complacency, view of religion as comfort, opiate.

Autobiographies about 1840, 50, reflected bitterness against Calvinist upbringing. Wave of revulsion & outrage against Calvinist doctrines of depravity & punishment.



God changed from sadistic changer, or mechanic, to loving merciful reformer. Picture of God suffering with man blurred picture of omnipotent sovereign; God became less of a king and more of a president, with sympathetic relationship to constituents.

New emphasis on man's own capacity to win salvation by his own efforts, instead of preordination. Predestination bowed to dignity of man, power of man's will; demand for rational relationship between efforts & rewards.

Now there was merely foreknowledge.

Formerly original sin implied total depravity, inability of man to do good or win salvation. Now free will prevailed, man was merely inclined to sin, or even to good.



1. crudest form of literature is pure escape. The sentimental novels and plays, penny journals, sensational journalism of 1840's - pure wish-fulfillment.
2. Second form of escape is into a great collective myth, a national epic. Gives reader a sense of destiny; <sup>mission</sup> Romantic nationalism rose after 1812. "Spread-eagle Fourth of July oratory". Revolutionary vets were idolized. Long epic poems - "Connecticut mits" "The Columbiad" by Joel Barlow, failed to appeal to people; failed as epic.

Literary tradition - pattern of expected response - was not designed to support a poetic epic. The form best suited to the time was that of history. Thus writers like Washington Irving, Cooper, Paulding, departed from their typical work to write history. History was even more important since decline of religion.

George Bancroft: 1800-1891. Father was first pres. of Amer. Unit. Entered Unit. ministry, but left for politics & history. Collector for Port of Boston - distributed federal patronage - 1834 - first volume of History of the United States. 12th volume in 1882.

Filled all the requirements for national epic. Democratic, nationalistic, historical. Scholarly work; well-documented. By late volumes, style was outmoded.

3. Third form of resolution provides emotional release from problems, "catharsis."
- Hawthorne - dealt with sense of sin.  
Melville - destruction of Calvinism  
Cooper -

Cooper - artist + commentator. 1789-1851. Early novels had to depend on English literary tradition - sentimental novel. Had great imagination; began to use new native material. First used his own nautical experience, then Leatherstocking frontier series. "The Spy" (1821). The new material offered completely new technical problems of characterization + dialogue (of trappers, Indians), setting the scene. Later authors were able to use his stereotypes and improve his solutions. His characters became part of American mythology. Heroes - Hawkeye, Birch, Natty Bumppo - were common men. Idealized frontiersmen. However, while recognizing frontier virtues, but recognized that frontier character could not be basis of nation; ideals were transitory, doomed to be replaced by world of business.

Strong Jackson supporter. Had aristocratic contempt for plutocracy. Dealt with conflict in Amer. life that was resulting in replacement of frontier by business community. "Homeward Bound" contrasted landed aristocracy with businessmen.



at last, after anti-semit war, lost faith of in radical democracy.



Mason: Current Status of the Monopoly Problem.

Competition can be thought of in terms of (A) Market organization in such a way as to limit the power exerted by a single firm (B) Performance--efficient use of resources.

Problem of defining a market structure which will produce desirable performance. Choice between alternatives. "Workable competition."

Goals of performance:

1. Pressure for product and process improvement.
2. Downward adjustment of prices with costs.
3. Units of the most efficient size.
4. Efficient adjustment of capacity to output.
5. Avoidance of waste in selling activities.

But market conditions may conflict with performance. Inefficiency, lethargy, cut-throat competition, lack of standardization, incentive to innovation.

Formerly, the antithesis of legal monopoly was action unlimited by agreement or coercion; antithesis of economic monopoly was action limited by market structure. Reason was that lawyers found it easier to devise tests of restrictive practices than tests indicative of market control.

Now courts, in the Alcoa and American Tobacco cases, are considering mainly market conditions, but are also influenced by how the dominant positions were used. In the National Lead case 1947, the Court eliminated restraints, but OK'd market structure because of good performance. Increase of sales, price reduction, with small companies gaining ground. (((But what about different managements?)))

Apparently the meaning of conspiracy has been broadened so that market behavior is the real test of illegality : American Tobacco FTC v. Cement Institute (basing-point system could now be conspiracy)

But obviously, courts should not now be satisfied with abolishing the "agreement" as a remedy.

Both objectives should be used; tests should complement each other. The market structure tests are more precise and convenient (especially with broadening of evidence of collusion)--but informed opinion on performance is necessary to determine the number of traders needed for an "adequate" number of alternatives.



# Corwin Edwards: Maintaining Competition

## Competition: Structural characteristics

1. An appreciable number of buyers and sellers, so that each has a choice of alternatives.
2. No trader so big as to be able to coerce his rivals, or so big that his rivals lack the capacity to take over a substantial part of his trade.
3. Traders must be responsive to incentives of profit and loss (instead of subsidized, or political interests).
4. Matters of policy must be decided by each trader separately.
5. New traders must be able to enter the markets.
6. Unimpaired access between buyers and sellers.
7. No substantial preferential status within the market for any important trader or group on the basis of law, politics, or alliance.

This competition is not enough to rely on, but it does have desirable effects. The alternative to regulation is not perfection.

The effect of the rule of reason has been to authorize restraints that had no apparent bad effects; to distinguish between lawful and unlawful in terms of consequences.

## Exemptions:

1. The Webb-Pomerene 1916 was to permit domestic producers to compete with foreign cartels. Actually they have cooperated to form international cartel agreements, and have raised domestic prices (copper cartel). Should be abolished.
2. Capper-Volstead and Cooperative Marketing Acts; 1922 and 1926. Fruit and dairy products are dominated: California Fruit Growers' Exchange. Coops should not include corporations, firms not mainly agricultural, and should be subject to restraint for coercion.
3. Agricultural Marketing Agreements Act 1937. Secretary of Agriculture can make agreements with anyone handling food products. Restrictionist, gives benefit to commercial processors (used only for specialized crops). Should be repealed.
4. Resale Price Maintenance: Miller-Tydings. Manufacturers who have used good will to keep prices high want to preserve their outlets by guaranteeing them large margins. Aids collusion between manufacturers. Should all be repealed (possibly keep specific protection against loss-leaders).
5. Insurance companies are exempted from Federal anti-trust to allow states to regulate them; states can be more easily influenced. Should be repealed.
6. Labor. Should be exempt, except when strikes restrict competition.

\*\*\*\*\*

The number of firms is too small when buyers no longer encounter variations in business policy, or where there is a risk that policies will not vary. Tests: the power to coerce and the power to exploit. Impersonality, market occupancy, monopolistic pricing are defective tests; practices in changing prices are somewhat better.

((Court interpretation as a search for adequate tests)))



1. One-plant monopolies may be efficient, but combinations where the central management is solely concerned with bargaining advantages should be broken.

2. Vertically-integrated firms have advantages when at one stage they are the suppliers for firms that compete with them at another stage. Firms with a legal monopoly at one stage should not integrate.

3. Big giants have power from aggregate assets, with which they can coerce, control credit facilities, control courts, patents, and legislatures. Law should be passed to break up all corporations over a fairly high size, unless they can prove public advantage (putting the burden of proof on the corporation, instead of outlawing "excessive" size).

Federal incorporation, restrict intercorporate stock holding and merger, interlocking directorates, control of credit, reinvestment, (to extend holdings), personal wealth, tax burden on small business.

This program would not eliminate domination in single products, but would break down conglomerate firms and industry dominance. Emphasis on prevention. Companies could still expand on earnings, short of monopoly or excessive size.

Injury to competition should be defined as injury to the vitality of competition in the market, not as injury to particular competitors or between particular competitors.

Tying arrangement should be forbidden to monopolies, legal or otherwise.

Firms with peculiar power to exploit have been subject to special requirements as "affected with a public interest." Apply this to big firms.

Basing-point: freight absorption should be permitted, but phantom freight and rigid pricing should be outlawed as discriminatory.

Competition should be the rule. As control grows, controlled groups band together and exert increasing pressure. Segmental controls may be controlled by monopoly group.

Control should originate in a desire to make that group serve the public interest; to help particular groups make profits, especially by restrictive means, is not part of that interest.

Effective competition can be maintained by maintaining freedom to choose between one type of controlled enterprise and another.

The purposes of control should be the effects safeguarded elsewhere by competition.

A central agency should guide prosecutions, review proposed legislation, formulate safeguards for regulated segments, make ordinary activities of the government consistent with competition, advise courts, and guide state governments.



## Kaplan--Small Business

3.5 million business firms.

Establishment with less than 8 employees are 90% of firms, 23% of earners.

1.5 million one-man firms are more than 45% of firms.

1.25 million firms employing one to three.

Together--82% of firms.

Only 27,000 firms, less than 1%, employ more than 100.

Only 10,000 firms employ more than 250.

90% of firms employ under 50.

But companies over 100, 1%, employed 16 million, 56%.

"Small business" associations don't have large following.  
Interest in group activities is localized (retail stores).

The small retailer, threatened by big cut-rate competitors, ties up with the nationally-advertised and fair-traded brands of big manufacturer. The small manufacturer is squeezed out of the small store, and can't afford advertising, so he supplies "private brands" to the big stores whose prestige is in lieu of advertising.

((((Thus the power goes to seller at the stage at which monopolistic preferences are formed--the stage which advertises)))

The small retailer and the small manufacturer take instead of make prices.

The integrated firm--A&P--allocates all its costs to the stages at which it supplies later competitors. If a loss it takes on retailing is compensated by a high profit on goods sold to others, consumers served by others are subsidizing consumers who buy at A&P.

High brand name prices and low private brand prices led to a lower percentage of sales by independent stores (Goodyear tires and Sears Roebuck).

In drugs, consumers trust only advertised brands; fair trading is successful, necessary to maintain "goodwill." Drugstores with their own good will can plug "off brands."

Small manufacturers and dealers could pool advertising funds, promote brands as a group.



Natural gas is a wonder product, with many uses.  
Its supply is limited; even with sources of synthesis and oil shale price would rise.

Everyone agrees that physical waste should be prevented.

But if social uses are 0-100, there is a point above 0 where use should be prevented.

Industry claims that unregulated pricing will accomplish this allocation.

This is untrue:

1. Because of high price of oil, oil-gas wells will be dug even with no facilities of keeping gas.
2. Because dry pools are cheaper, no incentive for gas pipelines to be dug for wet pools.
3. Because of monopolistic position of pipelines, well-head price is so low that gathering gas from small wells doesn't pay.
4. Separating sour gas doesn't pay.
5. Pipelines may use only their own gas.
6. To keep a high load factor, pipelines sell gas on an interruptable basis at a price that represents no relative economic value.
7. Pipelines want to sell as much as possible.
8. Industry won't be able to protect consumers when gas runs down.
9. Industry can't absorb those thrown out of work.

This leads to undesirable consequences:

1. Gas is physically wasted.
2. Gas is used in ways, like carbon black, to replace other fuel, that have low value.
3. Gas is used in place with other fuels, disrupting.
4. Gas throws others out of work, injures national defense.
5. Gas goes out of regions where it is needed for development;
6. The eventual shortage will disrupt consumers, leave inadequate facilities for other fuels, disrupt allocations, leave some regions importing synthetic gas,

Can be prevented by:

States: prohibiting certain uses, severance taxes, public utilities out of gathering spots.

Government: using licensing requirements--considering end use and location use, control over direct sales, encouraging use of wet gas.



Rationalism assumes that if moral truths can be discovered, man's rational nature will lead him to follow them. Disagreements are all rooted in differences in belief; if they persist, they are evidence of mental abnormality. Simply ignores the emotional drives of man.

Hume: all human knowledge is of two kind; relationships between ideas (math; unrelated to reality) discovered by reason alone, certain. Criterion is that truth can't be denied without contradiction.

Matters of fact - derived from sense, never necessary, only probable. The contrary of every proposition is logically possible.

Any causal principle is only problematical, since there is no necessary relationship between matters of fact; depend only on the empirical conjunction of classes of events.

Further experience may always invalidate our hypotheses.



A. Some feel that ideals are "window-dressing," rationalisations, sugar-coating, of unconscious animal drives.

B. Santayana - ideals are sincerely held, but do <sup>not</sup> serve as causes for action.

It is at least interesting that mankind has always felt it necessary to "rationalize" <sup>the behaviour of</sup> in terms of ideals.

Cohen thinks that ideals are, in part, causal motivations of behavior. The only relevant ideals are those with adherents, those which embody some interests.

Ideals are grounded in interest and purpose, rooted in human aspirations.

"The will of God determines the ideals of Christianity"; an "ideal" which no one accepts or acknowledges is only an idea.

(a) If ideals are to motivate us, they must appeal to needs, it must be grounded in the actual living desires of men. (b) It must specify what ought to be and is not - it reflects imperfections in reality.

If all human efforts were all followed by gratification, if all interests were satisfied, there would be no ideals. Ideals are "second-order" interests - standards by which other interests are judged. Integrates, organizes, criticizes ~~ideals~~ interests.

Ideals are neither true nor false. An interest, an aspiration, not a belief. Statements about something which ought to be, not about existing states of affairs. They be judged as humane or inhumane, stable, lasting, etc.

How judge ideals? Ideals must be evaluated in terms of other standards or "super-ideals." They are norms, and must be appraised by other norms. It is impossible to take a non-ideal, completely objective standpoint from which to judge other standards.



Some super-standards to be used in the course:

① Realisability. Ideal must be guide to action. Unrealisable ideals are mere wishes which cannot serve as standards of conduct. Realisability — possibility of being progressively approximated. Atheists may "wish" that immortality ~~was~~ were possible — but their conduct is not affected by this wish. Unreal ideals will be regarded as defective.

Ed. note. Fantasies & wishes don't influence conduct?

② Well-grounded. Ideals must adapt themselves to increasing knowledge about the conditions of reality. Unstable systems of ideals are those which collapse when the beliefs they rest on are challenged.

"Belief in educatability is essential to ideal of democracy."  
Are ideals well-grounded on valid beliefs?

③ Inclusiveness.

Does the system encompass a wide collection of human interests?

Principle of aristocracy does not necessarily exclude of the interests of the lower orders; it might be conceived as being in the best interests of all. If democracy holds that the only interests to take into account are those of democracy, it becomes an exclusive principle.

④ Harmony.

Does a system of ideals seek to reconcile different interests or emphasize conflict; does it lead to peace & war. Does it tend to defeat its own purpose?

⑤ Depth.

Do they appeal to all the needs, enlist all the energies of the men included. Religious element may be necessary. Full gamut of human aspirations.

⑥ Friendliness & Flexibility.

What are the prospects for development and progress — open or closed system. Is it friendly to new possibilities, or is it rigid. What are the costs of its realisation.



\* \*

Man must realize his nature as God's image - obey God's laws, etc.  
Man is a creature of infinite worth. Free conscience. Ability to know + interpret God's laws.

Greeks had no doctrine of universal brotherhood of man; were slaves really men?

The Christian obligation is a religious one; it derives from the fact that man is created in God's image, not from natural needs or wants.

How can one reconcile the two concepts of God:

- (a) The Creator, omnipotent, first cause.
- (b) The beneficent, fatherly, the ideal, the good.

First paradox of Christianity: the identification of God the Good with the God the Powerful.

Corollaries; ① How reconcile the responsibility of man with the existence of an omnipotent God?

② How avoid identification of God and nature; if God + goodness are identified with Being, how preserve any dualism.

Love of God must be love of things as they are.

③ If God is identified with existence, then he can no longer be regarded as an ideal toward which things tend.

④ How reconcile man's inherent depravity with God's omnipotence.

How to justify asceticism if it be the deliberate rejection of the God-made world and the God-given faculties.

The doctrine of revelation implies that God is unknowable by human faculties. But to claim to know God + interpret him, to draw an analogy between God's attributes and man's, is to claim to know what God is, and to know him is to limit.



## The Synthesis

knowledge

St. Thomas accepts Aristotle, completely, as far as he goes. accepts idea that man's reasoning powers are capable of knowing the world and, in part, God.

Reason + revelation are supplementary; reason can demonstrate the existence of a First Cause, but revelation is necessary to know why God created the world, what God is like, etc.

Truths disclosed by reason + revelation must be compatible; if they are inconsistent, there must be a mistake. Therefore, Christian philosophers must spend all their energies in apologetics, reconciling ~~propositions~~ propositions which they already believe to be true. All knowledge begins in faith; no impetus is given to discover new knowledge.

No distinction between factual knowledge + normative knowledge. "What is man aiming at?" - what ought he to aim at.

The world

The world exists, a static world of types and forms. Types differ in value, and study of them varies correspondingly.

Dualism with omnipotent God who is independent of universe, though all universe is striving toward communion with God. This universe is completely dependent on God; at the same time, the Christian universe is anthropocentric. Even God's main concern is man's salvation. Man's home is the physical center of the universe.

society

The church is the primary organization; all other institutions have only a limited claim. However, ~~there is~~ all man's needs cannot be encompassed by any one institution - state has place, so long as it doesn't encroach on spiritual sphere. The state has absolute power in its own sphere.



Types of archaistic extricationism: (although there may be rational justification for archaism, in most cases it is a compulsive attempt at flight from present plight!).

(a) Medievalism - Thomism

(b) Classicism - revival of Plato

(c) Return to laissez-faire economy; might be rational, but are you willing to give up advantages of large-scale industry.

(d) Churchill's yearning for old imperialism.

Mark of archaistic & futuristic thinking is lack of any attempt to plan the means or reason the cost of attaining his goal. "Leap in the dark." Both are means of "social ex" - escape for whole societies.

"Personal ex" - mysticism: despairs of social reform, hopes for personal escape by detaching himself from the society. Not out of this time but out of this world. Aldous Huxley. The world itself is evil & incapable of improvement, so mystic rejects the world to find salvation.

### Medieval Christianity

We are retaining the attitudes of medieval culture though we can no longer hold the beliefs that underlay them.

What is the nature of the appeal of Catholic ideals?

(a) offers a comprehensive solution to modern anxieties.

(b) realism: doesn't try to gloss over modern predicament but actually darkens; without God, life is absurd (Exist.). One must first accept the position that naturalistic life is meaningless. Its pessimism attracts those who have seen through specious optimism of other escapes.

Church provides genuine escape from freedom, authoritarianism system with hallowed tradition; one is in great company. Aims are universal, salvation for all; moreover, it proclaims the essential value of the individual soul. Church is infinitely flexible, adapts to local color. Individual can submit to authority, identify himself both with large human group and with God, and at the same time retain a



sense of his own individual & lasting importance.

Christianity is essentially optimistic; man may drift, but he need not drift forever.

Has incomparable <sup>religious</sup> advantage of the symbol of Christ, the God-man, and infinitely sympathetic God.

Has intellectual appeal of tremendous rationalistic structure, based both on scholastics and Greeks. By contrast, Protestant appeals to a return to early Christianity are anti-intellectual.

Aesthetic appeal.

Appeal of unity - harmony.



The disbelief in the ability of rational means of guiding behavior results (a) in impulsive, irrational solutions, such as reversion to the ideology of a former "Golden Age." E.g. neo-Thomism, Utopianism, (if next step is uncertain, skip it and think of future, e.g. "classless society"). Such escapes are not rational solutions, but compulsive; they ignore the means or the cost of restoring the arcaic or bringing about the Utopia.

When man finds himself doubting the efficacy of the institutions and methods of his time, he clutches at straws of extricationism, or, if he cannot accept these escapes, he drifts in doubt and cynicism.

This predicament is emphasized



## Plight of the Individual cont.

Effect of science on man's conception of his role in nature

Materialistic theories of Greeks were mere speculative hypotheses; had strong visuals, apparent weaknesses of application.

Now science seems to have no overarching conception of purpose; nature seems to be meaningless indefinite movement without goal or purpose. Universe was not made for man, and man himself is without purpose.

It is not inevitable that science should undermine the ideals of Christianity, but is it likely? Can science energize the aspirations of man?

Existentialist: "the absurdity of life" — Why should man exist at all? All actions are impulsive, without moral or rational justification.

The old theologues provided symbols which served readily as bases for human behavior. So some, the elimination of mysticism deprives life of "meaning". Science shows man as irrational; but by knowing the extent of this lack of rationality, man may be able to control himself better than understanding.

Positivism — all meaningful discourse must use concepts verifiable by scientific methods. Thus, discussions of theology are not merely false but meaningless. This again seems to impoverish man's language and field of thought.

Science presents the high & rigorous ideal of knowledge — verifiable facts & observations. Can scientific methods be applied outside the lab.

According to Popper, Marx's idea that laws of behavior could be used for prediction; sociology will never have enough verifiable knowledge to found a

planned society. He says not that data on consistent behavior patterns doesn't exist, but that it is impossible to obtain.



## 2 Happiness

Does it aim at happiness? or does it have other aims — salvation, sacrifice, duty. Does it at least lead (even as a byproduct) to happiness.

A conflict of ideals implies a clash, not merely a difference. There is a conflict only when the fulfillment of one set of ideals renders impossible or interferes with the fulfillment of another set.

A conflict of ideals is not a conflict of belief; there may be differences in belief, matters of fact, without a conflict of aspirations. However, conflicts of ideals may sometimes be resolved by resolving an underlying conflict of belief. But attitudes do not necessarily change when underlying beliefs change; relationship is not rational. The metaphysical ideals of the Middle Ages largely collapsed when the beliefs beneath them collapsed.

There is not necessarily anything wrong in a <sup>conflict of</sup> systems of ideals; it might result in forming better ideals to replace inadequate conflicting systems. Conflict is bad when it leads to confusion, waste, and war.

Focal aim — not necessarily a final end, but an intermediate end prominent as a guide to present action. One focal aim <sup>(means)</sup> may be shared by people with a wide variety of ultimate ends. The conflict between communists + socialists reflects a sharp conflict of focal aims.

Conflicts may be resolved: <sup>indirection</sup>

① By persuasion (a) rational — by attacking the beliefs underlying a set of attitudes; this breaks down because of irrational relationships between b. + a.

(b) propaganda; direct assault, emotional appeal of words, pictures, etc.

② Adjustment + reconciliation: each member agrees to give up that aspect of his system which renders it incompatible with the other, thus making a mere difference.

③ Force.



# I

## The Plight of the Individual in the Modern Time.

For two centuries after the middle ages, it was believed that, with the rise of education, democracy, and technology, war would automatically vanish, and the Good Society would appear. Myth of progress. Christian belief that history has a direction, is a progress as well as a process (rescued coming).

People have begun to question whether the democratic institutions, the methods of enlightenment, and Christian sentiment, are alone enough to satisfy all man's needs. First modern crisis lies in the increasing distrust of the efficacy of our modern ideals. The old metaphysical myths at least had the power to energize mankind, and give his life a seeming importance and meaning. Do men buy knowledge at too great a price. Is the unlimited pursuit of knowledge really good, or is illusion necessary?